Question

Philip Morris has been working overtime since March 1994. They are expanding capacity at Cabarrus and hiring more workers to accommodate this expansion. Do you feel this is fair considering you laid off over several hundred hourly workers in 1994?

Answer

I think it is important to remember that of the nearly 1300 employees separated from the company, most left the company through voluntary separation programs, only 250 were involuntarily separated.

The current overtime situation is primarily due to the unanticipated higher export volume to Russia. With the variability and uncertainty in some foreign markets, this situation can change abruptly. It is in the best interest of our shareholders and employees to accommodate this demand with overtime versus bringing in permanent workers.

However in an effort to alleviate some of the overtime, last November we obtained approval to increase the planned capacity expansion at Cabarrus from 106 billion to 126 billion. This 20 billion incremental increase will create approximately 100 jobs. We plan to fill these new positions by first giving consideration to our PM-Richmond employees who were impacted by the recent restructuring.

In addition, we expect to recall approximately 75 workers to fill a new cleaning attendant position created with the last union agreement.

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Source: https://www.industrydocuments.ucsf.edu/docs/qkln0004